

## **MINUTES**

### **MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION FREE CONFERENCE COMMITTEE ON HOUSE BILL 2**

**Call to Order:** By **CHAIRMAN BOB KEENAN**, on April 17, 2001 at 8:40 A.M., in Room 317-A Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Bob Keenan, Chairman (R)  
Rep. Steve Vick, Chairman (R)  
Rep. Matt McCann (D)  
Sen. Linda Nelson (D)  
Rep. Dave Lewis (R)  
Sen. Tom Zook (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Clayton Schenck, Legislative Fiscal Analyst  
Taryn Purdy, Legislative Fiscal Division  
Paula Broadhurst, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed. Transcribed by Prudence Gildroy.

**Committee Business Summary:** HB 2

Regarding an amendment by **REP. DAVE LEWIS** the previous week to the Children's Trust Fund, **CHAIRMAN BOB KEENAN** advised an amendment for a technical change needed to make it a biennial appropriation.

**Motion/Vote:** **REP. LEWIS** moved that **AMENDMENT HB000262.APG EXHIBIT(frs86hb0002a01) TO BE A BIENNIAL APPROPRIATION BE ADOPTED.** Motion carried 6-0.

#### **Section A**

**Motion:** **SEN. LINDA NELSON** moved that **AMENDMENT HB000230.ASC BE ADOPTED.** **EXHIBIT(frs86hb0002a02)**

**Discussion:**

**SEN. NELSON** advised the amendment would restore 11.5 FTEs to the Securities Program in the State Auditor's Office. She explained the reduction was an oversight.

**John Huth, Centralized Services, State Auditor's Office**, advised the amendment would restore the 1 percent general fund reduction taken in the Full House Appropriations Committee. He stated it was a small department and it would be \$17 million general fund appropriation for the biennium. He asked for favorable action.

**REP. STEVE VICK** asked if the Senate restored the FTE. **Taryn Purdy, Legislative Fiscal Division** said the Senate Finance Committee only restored certain agencies.

**Vote:** Motion failed with Vick and Lewis voting no.

*(Note: Two aye votes from each house needed to pass amendment)*

**Motion:** CHAIRMAN KEENAN moved AMENDMENT HB000232.ASC.  
**EXHIBIT**(frs86hb0002a03)

**Mr. Huth** advised the bill was brought by the Auditor's Office and the insurance industry. In 1988, it was determined that the private sector would collect 1 percent from surplus lines of insurance to operate the surplus lines fees. Surplus lines were lines of insurance not normally offered by companies, so they had to get approved by the Auditor's Office to be offered in the State of Montana. Private industry had done the job since 1988. In February, they did not think they could continue to operate on the 1 percent fee. The Auditor's office had no authority to collect the 1 percent fee. The amendment was a restricted to the state auditor's office insurance program to perform the administrative functions related to regulating surplus lines and would give the authority to put the 1 percent income into the State Auditor's budget and allow them to regulate the 1 percent surplus lines fee.

**Discussion:**

**REP. MATT MCCANN** asked where the revenue was generated from. **Mr. Hurth** indicated it was from the 1 percent fee regulated on the premiums of the surplus lines. Currently, the fee went to the private sector to operate the program. It would not be an additional tax, it was already being paid.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000240.ASC BE ADOPTED. EXHIBIT(frs86hb0002a04)

He advised it was a shift of money from the Board of Visitors to the Governor's Office.

**Vote:** Motion passed 6-0.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000241.ASC BE ADOPTED. EXHIBIT(frs86hb0002a05)

CHAIRMAN KEENAN explained the amendment pertained to video conferencing commitment hearings primarily with Warm Springs. He felt there would be a savings involved. Lois Steinbeck, Legislative Fiscal Division, indicated it would depend on the county an individual was located and if transportation costs were more than the costs of video conferencing.

**Discussion:**

REP. VICK asked if the purpose was to cut costs or if it was for the convenience of the clients. Ms. Steinbeck believed it was the result of an interim study. She explained the high cost and difficulty of transportation. A statutory change was recommended to allow video conferencing for court proceedings.

SEN. ZOOK commented it was a small cost compared to the benefits involved.

REP. LEWIS indicated he had an amendment to offer later that would reduce the DPHHS budget by an amount that would more than offset that of the amendment.

**Vote:** Motion carried unanimously.

**Motion:** SEN. ZOOK moved that HB000243.APT BE ADOPTED. EXHIBIT(frs86hb0002a06)

SEN. ZOOK explained the amendment dealt with comprehensive health insurance.

Aiden Myhre, MCHA, described the growth of the program. The \$2 million being requested was appropriated in the last legislative session but the program did not use the money. The funds would help those needing high risk coverage. She explained that legislation in 1999 allowed MCHA to borrow money from the Board of Investments. If projections were accurate, the felt they could keep the program viable, but would always be playing catch-

up. The program was supported by high premiums and by an assessment on the insurance industry but that was not enough to make ends meet.

**Discussion:**

**REP. LEWIS** expressed a concern about borrowing from the Board of Investments. **Ms. Myhre** explained the assessment paid by the insurance industry and that the assessments would go to pay back loans from the Board of Investments. **REP. LEWIS** urged care regarding borrowing. **Ms. Myhre** further explained that premiums were capped in statute and that was part of the challenge.

**REP. MCANN** asked why the 1999 appropriation of \$2 million was not used. **Ms. Myhre** explained their projections were accurate, but the timing was off. The program continued to grow, but they were able to contain health care costs. **REP. MCCANN** pointed out the importance of the program to Montanans.

**SEN. ZOOK** felt it was to their credit that they had not expended the \$2 million. The money would revert and would help the bottom line. He urged positive action on the amendment.

**CHAIRMAN KEENAN** advised that one of his areas of concern was health insurance and the uninsured. He thought there would be an amendment to study the issues in the interim.

**Vote:** Motion failed 0-6.

**Motion:** **REP. LEWIS** moved that **AMENDMENT HB000243.ALS BE ADOPTED. EXHIBIT (frs86hb0002a07)**

**REP. LEWIS** explained the amendment dealt with funding for the Mental Health Advisory Committee. He advised there would be money taken from the DPHHS budget.

**Discussion:**

**SEN. NELSON** asked about the plan to take money from DPHHS and what would be cut. **REP. LEWIS** explained there was \$1,270,000 added to Mental Health Services in subcommittee. The department felt they only needed \$850,000. The Senate decided \$450,000 would be spent on developing a plan to deal with the high cost kids that go out of state. He was proposing to reduce the \$850,000 by \$100,000 to pay for the study.

**Lois Steinbeck, Legislative Fiscal Division**, advised she had prepared two amendments for **REP. LEWIS**. The first funded interim

studies for the Legislative Finance Committee. The money was taken out of Mental Health Services to fund the study. The funding was the difference between staff estimates of Mental Health Services plan costs versus the executive. The subcommittee adopted the staff estimates. The Senate Finance Committee voted to add back \$1.3 million general fund that had been the difference between the staff and executive estimates. At that point the documentation in the amendment said that due to the most recent data available, the difference in funding the Mental Health Services plan was actually \$800,000 and there was \$480,000 that would be used to fund provider coalitions that wanted to keep kids in communities instead of in higher end services. **REP. LEWIS** advised a continuing difference between staff and executive estimates. He noted HB 2 included the estimate he wished to use.

**{Tape : 1; Side : B}**

**Clayton Schenck, Legislative Fiscal Analyst**, explained the studies that the Legislative Finance Committee would have to do in the next interim. He stated the committee did not budget for interim studies in advance, but waited until conference committee at the end of the session.

**Vote: Motion carried unanimously.**

**Motion: REP. LEWIS** moved that **AMENDMENT HB00024 4.ATP BE ADOPTED. EXHIBIT (frs86hb0002a08)**

**REP. LEWIS** advised the amendment would fund SB 445 for the Economic Development Office in the governor's office. His proposal was to reduce the energy contingency account that was appropriated to the governor's office in order to fund the bill. He advised electricity rates would not change until June of 2002, and he hoped reductions in energy usage would reduce the need for the account.

**Vote: Motion carried 4-2 with Nelson and McCann voting no.**

**Motion: CHAIRMAN KEENAN** moved that **HB000247.AGH BE ADOPTED. EXHIBIT (frs86hb0002a09)**

**Gary Hamel, Legislative Fiscal Division**, explained the amendment would reduce the Irrigation Assistance Program at DNRC by \$10,000 in general fund and provide for sending a delegate from the legislature to the Northwest Rivers Governance Council. There was a concern with utilizing waterways for state governments.

**Discussion:**

**SEN. NELSON** asked about the number of delegates. **Mr. Hamel** did not know. **SEN. ZOOK** noted it was three or four in the past. **REP. MCCANN** wondered if it was one-time only. **SEN. ZOOK** believed it was done in the past to the state's benefit. **Mr. Hamel** advised the appropriation would only be for the biennium but would be an ongoing appropriation. **SEN. ZOOK** contended that one-time only language could be added.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000260.AGD BE ADOPTED. **EXHIBIT**(frs86hb0002a10)

**Taryn Purdy, Legislative Fiscal Division,** explained it was a technical amendment to move funds to a different program at DOR.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000280.ALT BE ADOPTED. **EXHIBIT**(frs86hb0002a11)

**Jeff Miller, Department of Revenue,** explained the HB 399 was a streamlining of liquor licensing and would change the funding for liquor licensing investigations from general fund to proprietary funds. The reason there would be no net impact to the general fund was that net profits and taxes from the liquor enterprise fund would transfer to the general fund. It would also increase the funding to the Department of Justice for the license investigation support they provide the DOR.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000281.ALT BE ADOPTED. **EXHIBIT**(frs86hb0002a12)

**Ms. Purdy** explained the committee had passed the amendment and it would move the extradition of prisoners into the governor's office or the Department of Justice. The way the amendment was written it would have an impact on the general fund temporarily, but she asked for permission to word the committee report differently. It would not show on the general fund status sheet.

**CHAIRMAN KEENAN** asked if there were any objections and noted that without objections the change would be made.

## **Section B**

**Motion:** REP. LEWIS moved that **AMENDMENT HB000239.ALS BE ADOPTED.**  
**EXHIBIT**(frs86hb0002a13)

REP. LEWIS explained the amendment would remove funding, as HB 651 did not pass.

**Vote:** Motion carried unanimously.

**Motion:** REP. LEWIS moved **AMENDMENT HB000242.ALS.**  
**EXHIBIT**(frs86hb0002a14)

Ms. Steinbeck explained the amendment was drafted in response to a request from OBPP. HB 2 was amended in Senate Finance Committee to include a prohibition of expenditure of money appropriated as grants for benefits and claims under any other object of expenditure. The department requested two changes where money appropriated for grants and benefits could be transferred: if federal rule or law required it or if there would be savings due to the transfer. OBPP would provide a report to the LFC if it authorized any transfer.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that **AMENDMENT HB000244.ALS BE ADOPTED.** **EXHIBIT**(frs86hb0002a15)

REP. LEWIS explained the amendment would reduce the general fund appropriation for Mental Health Services due to differences in projections between the legislative staff and the executive.

**Discussion:**

SEN. NELSON asked if the department concurred. CHAIRMAN KEENAN explained the \$1.273 million was the caseload difference and that the Senate Finance Committee earmarked \$800,000 for projected caseload costs. The remainder would be earmarked for Children's Health Services to control the high cost of out of state placement. The committee had already been removed \$19,000 from the \$800,000 and the amendment would remove another \$119,000. Gail Gray, DPHHS, agreed with the explanation.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that **AMENDMENT HB000258.AGP BE ADOPTED.** **EXHIBIT**(frs86hb0002a16)

Pat Gervais, Legislative Fiscal Division, advised the amendment would restore the one percent general fund reduction in personal services that was adopted by the House Appropriations Committee.

The Senate Finance Committee had reinstated that funding for selected departments, but DPHHS was not one of them. The amendment would provide them \$1 million general fund.

**Vote: Motion failed 0-6.**

**CHAIRMAN KEENAN** explained amendment HB000263.alt was requested by **SEN. TOM BECK** and that DPHHS would reimburse the Department of Corrections for costs for labor to operate the cannery. **Lorene Thorson, Legislative Fiscal Division**, noted the amendment would add language to DPHHS which would take part of the Public Assistance general appropriation to reimburse the DOC for the cannery operation. The DOC received proprietary authority by the committee with the understanding that the costs would be reimbursed by either the food bank or DPHHS.

**Motion: SEN. ZOOK** moved that **AMENDMENT HB000263.ALT BE ADOPTED. EXHIBIT (frs86hb0002a17)**

**Discussion:**

**REP. VICK** asked where the money would come from. **Ms. Thorson** indicated it would come from public assistance, the main appropriation for Program I. **REP. VICK** asked how it was decided that was appropriate. **Ms. Thorson** explained the operation had been a cooperative effort between DPHHS, Montana Food Bank, and the DOC. There was an agreement that DOC provided the building. In the last biennium there was a different agreement to provide inmate workers. The amendment was for proprietary authority in the DOC to be used to fund the operation and for DPHHS to reimburse them.

**CHAIRMAN KEENAN** had a question about the enterprise account. **Ms. Thorson** indicated it was the Montana Correctional Enterprise Account which was mostly proprietary funds. **CHAIRMAN KEENAN** asked about the condition of that account. **Ms. Thorson** answered that the department could best answer that. **CHAIRMAN KEENAN** indicated he would be interested in making a substitute motion to pay for cannery operations out of the prison ranch account as opposed to the human services account. **REP. LEWIS** asked **Director Gail Gray, DPHHS** about his thought that human services was supposed to pay part, but not the whole bill. **Director Gray** indicated that their offer was to pay half, approximately \$70,000 of which \$40,000 was already partly appropriated in other areas. They would take \$30,000 out of existing programs. **Joe Williams, Department of Corrections**, noted that in the last session it was under the provisos that it would be a one-time expenditure from the ranch account and then in the next session to come in with



the proper funding. He said **SEN. BECK** had already tapped into the account for his bill for payment in lieu of taxes. He affirmed they would cooperate with public health, but it was a significant challenge currently for both departments.

**CHAIRMAN KEENAN** inquired if the committee wanted to hold the amendment. **SEN. ZOOK** noted the program was more related to DPHHS than the correctional system. **SEN. NELSON** suggested dividing the amount to make it more fair.

**REP. VICK** asked if the amendment did not pass if the DOC would get any reimbursement at all. **Mr. Williams** maintained that if the amendment did not pass, the ranch operation would continue to try to eat the cost. There was about \$40,000 in the base budget of public health and the rest would have to be absorbed by the correctional enterprises. Those enterprises were mandated to be as self sufficient as possible.

**CHAIRMAN KEENAN** asked if the equipment for the operation was appropriated last session. **Mr. Williams** stated they came up with the equipment themselves. *{Tape : 2; Side : A}*

**SEN. NELSON** asked about the benefit to the inmates involved. **Mr. Williams** indicated there was inmate pay for twelve inmates as part of what they do. They learned to work in the food service industry and had the opportunity for atonement.

**SEN. ZOOK** asked why do the enterprise if it cost the department money to do it. **Mr. Williams** agreed.

**Substitute Motion:** **CHAIRMAN KEENAN** made a substitute motion **TO SPLIT THE COST IN HALF BETWEEN THE TWO DEPARTMENTS.**

**Vote:** Motion carried 5-1 with **SEN. ZOOK** voting no.

**Motion:** **CHAIRMAN KEENAN** moved that **AMENDMENT HB000267.APG BE ADOPTED. EXHIBIT(frs86hb0002a18)**

**Pat Gervais, Legislative Fiscal Division,** explained that two TANF amendments were adopted, one that took the earned income tax credit line item to zero and the other created the money for the Children's Trust Fund by proportionately reducing all of the line items in the FAIM IIR proposal. Due to those amendments, the line item in the earned income tax credit line item actually became negative because it was reduced to zero and then reduced proportionately to create a new line item. The technical amendment would bring that line item to zero and place the difference in the main line for the division.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000269.APG BE ADOPTED. EXHIBIT(frs86hb0002a19)

SEN. JOHN COBB explained that the amendment would allow TANF money to go the tribes and to allow that money to be used for enrolled members of Montana tribes not living on a reservation. He noted all parties had agreed to the amendment.

**Discussion:**

REP. MCCANN asked if the language would be there in the future. SEN. COBB said it would just be for now and part of the reserve money was being spent down. It would be in HB 2 and then something different would be done next session.

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000268.APG BE ADOPTED. EXHIBIT(frs86hb0002a20)

Director Gray advised the amendment related to spending authority for some state and special revenue funds to replace eight of the sixteen positions that the department was still short in child support enforcement. She emphasized the case load of those currently in the department, productivity and client satisfaction.

**Discussion:**

CHAIRMAN KEENAN noted the subcommittee reduced twenty-five and later reinstated nine positions. The amendment would split the difference. Ms. Gervais explained twenty-six FTE were initially reduced in subcommittee and later eighteen were reinstated in two separate decisions. She noted the division also had several vacant positions that were eliminated but the funding was not. CHAIRMAN KEENAN cited SEN. COBB's amendment that removed the FTE but did not remove the money. He asked if those FTE had not been put back in. Ms. Gervais affirmed that and noted that the eight FTE removed in subcommittee had not been restored either. CHAIRMAN KEENAN inquired if those were the same eight. Ms. Gervais said that would not be so necessarily.

REP. LEWIS recounted that there was a 15 percent reduction proposed by the department and that the subcommittee voted to close one of the regional offices. The department then came up with money to put that back, leaving some positions unfilled.

**SEN. ZOOK** asked if those positions were vacant for seven months or more and **REP. LEWIS** affirmed that.

**Vote:** Motion failed 5-1 with **NELSON** voting aye.

**Section C:**

**Motion:** **REP. LEWIS** moved that **AMENDMENT HB000234.AGH BE ADOPTED. EXHIBIT (frs86hb0002a21)**

**REP. LEWIS** explained the amendment would remove the one-time-only designation on the appropriation for DNRC debt service payments to reimburse the Montana Science Institute for \$300,000 in improvements the institute made to state owned buildings at Canyon Ferry Lake. He said the one-time-only designation would not work.

**Discussion:**

**CHAIRMAN KEENAN** asked for a comment regarding an opposite amendment that would be considered later. **REP. LEWIS** indicated that if HB000234.agh passed, the director would pull the other amendment(HB000242). Unless the OTO language was struck, the department did not want to proceed.

**SEN. NELSON** noted that OTO language meant the legislature would go back and look at the appropriation in two years and she saw no harm in that. **REP. LEWIS** contended that the budget director did not want to proceed without the language removed as it was too restrictive. **SEN. NELSON** asked why the language put on. **REP. LEWIS** advised it was done on the Senate floor.

**Vote:** Motion carried 5-1 with **Vick** voting no.

**Motion:** **REP. MCCANN** moved that **AMENDMENT HB000236.AGH BE ADOPTED. EXHIBIT (frs86hb0002a22)**

**CHAIRMAN KEENAN** advised the amendment had been held as the two FTEs were a matter of concern. **REP. MCCANN** stated the amendment had one-time-only language attached so that it could be reviewed in the next session as to whether the FTEs should be put in the base.

**Discussion:**

**REP. VICK** asked the purpose of the two FTE. **Jeff Hagen, Director, Fish, Wildlife and Parks,** advised the amendment dealt with SB 285 carried by **SEN. WALTER MCNUTT** regarding the Block

Management Program. It was anticipated that the number of enrollees in the program would increase and the FTEs would be used for five or ten seasonal people to handle the management for the enrollees. SB 326 included an incentive for a weed program, and those FTEs would also be dealing with that.

**SEN. NELSON** expressed support and remembered that the FTEs would not be for full time equivalents but assorted people doing necessary part time work.

**Vote:** Motion carried 5-1 with Keenan voting no.

**Motion:** **REP. LEWIS** moved that **AMENDMENT HB000237.ATY BE ADOPTED. EXHIBIT (frs86hb0002a23)**

**Discussion:**

**REP. LEWIS** advised the amendment was the funding for the weed control program. SB 326 came over from the Senate with \$100,000 each year for the Department of Transportation. The House appropriated \$500,000 one-time-only for the biennium from the excess in the RIT trust fund. The money would be distributed to the counties and would give spending authority to the department for allocation of the funds.

**SEN. NELSON** asked if using the RIT fund for that would cut out anything previously funded. **REP. LEWIS** advised it would come out of the excess and would not interfere with other programs.

**Vote:** Motion carried 5-1 with Vick voting no.

**CHAIRMAN KEENAN** explained that the committee had previously withdrawn amendment HB00240.agh **EXHIBIT (frs86hb0002a24)**. **Jan Sensibaugh, Department of Environmental Quality**, advised that SB 167 expanded the review that counties could do from minor subdivisions to major subdivisions. The amendment would allow the department to reimburse the counties for additional work they would be doing under SB 167.

**Discussion:**

**REP. VICK** asked about the status of the bill and **Ms. Sensibaugh** advised it was expected to be signed by the governor.

**Motion:** **SEN. NELSON** moved that **AMENDMENT HB000240.AGH BE ADOPTED.**

**Vote:** Motion carried unanimously.

**Motion:** CHAIRMAN KEENAN moved that AMENDMENT HB000241.ATY BE ADOPTED. **EXHIBIT**(frs86hb0002a25)

CHAIRMAN KEENAN advised that amendment HB000241.aty was previously withdrawn because of questions.

REP. VICK asked Ms. Purdy about HB 437 which would change inspections from every year to every three years and if the revenue was for the every year inspection or the three year inspection. Ms. Purdy advised the amendment reflected the fiscal note.

Mark Simonich, Department of Commerce, replied the amendment covered the anticipated cost for the bill as it had been amended and would be for every three years.

**Vote:** Motion carried unanimously.

CHAIRMAN KEENAN asked REP. LEWIS about the bill being tabled in House Appropriations that corresponded to the language in amendment HB000243.ATY. **EXHIBIT**(frs86hb0002a26) REP. LEWIS explained the language suggested the intent of the legislature was that the Board of Research and Commercialization look at the Montana Tech business to business internet project. Ms. Purdy advised the legislature could not tell the board what to do but only make its wishes known. REP. LEWIS indicated the language could be changed.

SEN. NELSON asked REP. LEWIS to explain "agile virtual enterprise technology". REP. LEWIS replied the proposal talked about the fact there were a lot of companies working with subcontractors on the internet, who rather than building products from the ground up, they were co-opting and working with various companies to putting together manufacturing consortiums. There was an opportunity to do the same thing in Montana. The term referred to the fact that the consortium could form or reform on the internet as each project came up. REP. LEWIS advised he would change the language to use the wording "urged".

**Motion/Vote:** REP. LEWIS moved that HB000243.ATY BE ADOPTED. Motion failed 5-1 with Lewis voting aye.

CHAIRMAN KEENAN explained amendment HB000244.agh **EXHIBIT**(frs86hb0002a27) would fund a Clark Fork River Basin Task Force.

{Tape : 2; Side : B}

**Discussion:**

**REP. LEWIS** asked if it was the same money used in the weed bill and who would get funding first. **Ann Bauchman, Administrator of Centralized Services, DNRC**, advised it was the same fund. It was anticipated the weed money was the number one priority. DEQ also had a \$500,000 second priority and the task force would be the third priority. It was anticipated that in FY 2003, there would be about \$1.4 million available based on the revenue oversight committee's projections.

**SEN. NELSON** inquired about the task force. **Ms. Bauchman** explained the task force would be made up of about 20 members from tribal, corporate and private entities. **SEN. NELSON** asked if they would have their expenses and travel paid. **Ms. Blackman** indicated travel expenses to the meeting would be covered. About \$20,000 would be operating and travel and about \$100,000 would be contracted services to do the analyses.

**CHAIRMAN KEENAN** advised that language would need to be included recognizing that it would be the third priority. **REP. LEWIS** asked if it should be one-time-only.

**Motion/Vote:** **REP. LEWIS** moved that **AMENDMENT HB000244.AGH AS A THIRD PRIORITY ONE-TIME-ONLY BE ADOPTED**. Motion carried 5-1 with Nelson voting no.

**Section D:**

**Motion/Vote:** 8. 0 moved that **HB000238.ATY BE ADOPTED**. Motion passed 4-2 with Keenan and Vick voting no.

**EXHIBIT**(frs86hb0002a28)

**Motion:** **CHAIRMAN KEENAN** moved that **AMENDMENT HB000239.ATY BE ADOPTED**. **EXHIBIT**(frs86hb0002a29)

**CHAIRMAN KEENAN** explained that the governors amendments to HB 500 had been adopted by both the House and Senate. Amendment HB000239.aty would implement the provisions of the bill.

**Shawnda Hildebrand, Department of Labor and Industry**, advised it was still funded by the unemployment security account. **SEN. VICK** asked about the rationale. **Ms. Hildebrand** indicated it was about the only place to take it from.

**Vote:** Motion failed 4-2 with Nelson and Zook voting aye.

**Substitute Motion:** **REP. MCCANN** made a substitute motion **TO GIVE BACK A PERCENTAGE OF VACANCY SAVINGS TO PSC**.

**REP. MCCANN** explained his amendment. **REP. VICK** asked for clarification. **REP. MCCANN** suggested moving on.

**REP. MCCANN** withdrew his substitute motion.

**Motion:** **CHAIRMAN KEENAN** moved that **AMENDMENT HB000266.,ALT BE ADOPTED. EXHIBIT(frs86hb0002a30)**

**Doug Booker, Department of Justice**, explained the amendment would appropriate the debt service fees for the information technology system that was passed. **CHAIRMAN KEENAN** asked if it involved the \$4 lien title fee and **Mr. Booker** indicated yes.

**Vote:** Motion carried 5-1 with Vick voting no.

**Motion:** **CHAIRMAN KEENAN** moved that **AMENDMENT HB000268.ALT BE ADOPTED. EXHIBIT(frs86hb0002a31)**

**Discussion:**

**CHAIRMAN KEENAN** advised the amendment would amend HB 256, a bill concerning careless or reckless driving resulting in the death or serious bodily injury of another person.

**REP. VICK** wondered about the fines generating \$15,000 for the general fund and what would be spent. **Mr. Booker** advised \$12,000 was being requested to pay per diem in county jails. The revenue would be more than the expenditures. **REP. VICK** noted the bill would generate \$30,000 but the department only needed half of that. There would be \$15,000 in additional revenue, but \$24,000 would need to be spent. He wondered what local governments would use the money for. **Mr. Booker** did not know.

**CHAIRMAN KEENAN** reiterated that of the \$30,000 for the biennium, \$15,000 would go directly to the counties and then there was a \$12,000 expense per diem for county jails in addition to that. **Mr. Booker** confirmed that.

**SEN. ZOOK** asked if it was a net \$6000 hit to the general fund for the biennium. **Mr. Booker** explained the state would receive \$15,000 per year and the cost to the state would be \$12,000 per year. **SEN. ZOOK** adduced it would be a net gain. He asked **Terry Johnson, Legislative Fiscal Division**, how that was shown on the status sheet. **Mr. Johnson** advised that \$30,000 was shown as a positive impact and \$24,000 as potential impact.

**Vote:** Motion carried unanimously.



**Motion: CHAIRMAN KEENAN** moved that **AMENDMENT HB000273.ALT BE ADOPTED. EXHIBIT(frs86hb0002a32)**

**CHAIRMAN KEENAN** had previously asked the amendment be postponed because of a question regarding a double appropriation. The amendment was for a program for investigation and prosecution of violation of FWP laws.

**Mr. Booker** advised the committee passed the appropriation for FWP and this was the appropriation needed to spend the money to prosecute.

**Vote: Motion carried unanimously.**

**SEN. NELSON** asked about amendment HB000270.alt. **Ms. Purdy** explained that the committee added \$250,000 per year for the Montana Children's Trust Fund Account by taking it out of the FAIM account. She advised that **SEN. TOM BECK** decided he did not want to ask for the money and the amendment could be struck.

**Motion: SEN. NELSON** moved that **AMENDMENT HB000277.ALT BE ADOPTED. EXHIBIT(frs86hb0002a33)**

**Dean Roberts, Department of Justice,** explained the amendment dealt with a federal mandate bill regarding commercial drivers. It demanded a record check for everyone coming in for a driver's license. The funding was for computers.

**REP. VICK** asked if there was a fee to pay for it. **Mr. Roberts** said more driver license fees were collected than were spent so some fee money went in the general fund. There was no additional fee.

**Vote: Motion failed with Vick and Lewis voting no.**

*(Note: Two aye votes needed from each house to adopt amendment)*

**Motion: SEN. NELSON** moved that **AMENDMENT HB000278.ALT BE ADOPTED. EXHIBIT(frs86hb0002a34)**

She explained it was a one-time appropriation. **Mr. Roberts** explained the amendment was for programming costs due to the passage of HB 403 restricting driver's licenses for minors. Part of the computer costs came from ISD and there were no additional fees to cover that.

**Vote: Motion failed with Vick and Lewis voting no.**

*(Note: Two aye votes needed from each house to adopt amendment)*



**CHAIRMAN KEENAN** explained the amendment **HB000282.ALT EXHIBIT (frs86hb0002a35)** dealt with a \$7000 appropriation for a chapel at the women's prison at the request of **SEN. BECK**. He asked about the funding. **Mr. Williams** indicated they were about \$70,000 short. The amount would help finish the project.

**REP. VICK** thought the chapel was supposed to be paid for with private funds. **Mr. Williams** indicated it was.

**Vote:** Motion **failed 5-1 with Nelson voting aye.**

**ADJOURNMENT**

Adjournment: 10:30 A.M.

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SEN. BOB KEENAN, Chairman

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PAULA BROADHURST, Secretary

BK/PB/PG  
Transcribed by Prudence Gildroy

**EXHIBIT (frs86hb0002aad)**